

THE BIRTH OF A RESEARCH UNIVERSITY:  
UC Merced, No Small Miracle

October 2011

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**ABSTRACT**

In 1960, the State of California adopted a Master Plan for Higher Education which was a three tiered plan intended to channel students according to their ability to either the University of California, the California State University or the California community colleges and a plan which limited the doctoral and research missions to the University of California. The Master Plan was adopted during the great post World War II growth period in California attendant to an overall optimistic future for the Golden State. In the immediate years following the adoption of the Plan, the University of California leadership expanded the number of UC campuses from six to nine and plunged ahead in anticipation of robust enrollment demand despite concerns and misgivings of many within the established University that such growth would diminish the resource base (and hence the quality) for the established campuses (including Berkeley, Los Angeles, San Francisco, and in addition since the nineteen fifties, Santa Barbara, and Riverside). The campuses born in the 1960s, San Diego, Irvine and Santa Cruz, were intended to adhere to both the teaching and research missions of the University of California and this expectation would clearly demand significant resources. During the tenure of the great President Clark Kerr (1958-1967) additional future campuses were anticipated and discussed, but not actually planned. In the 1980s, a new President, David P. Gardner (1983-1991), also with growth on his mind, introduced a plan to both achieve budget wins in the State Capital, Sacramento, and to expand the number of campuses to continue to meet the Master Plan promise for the top tier of California students bound for college. But by the beginning of the 1990s, California was suffering extensive pangs due to growth, a massive "Tax Revolt," with dire implications for state funded services, rapidly changing demographics and concomitant significant pressure on state and local services, and an emergent environmental movement which challenged unfettered development. Thus when the plan was introduced to build at least one more University of California campus, great skepticism and enormous challenges confronted the various leaders who gradually, very gradually steered the course towards a tenth University of California campus. This paper is a summary of the political history both within the State of California and within the University of California, which led to the eventual successful development of the University of California, Merced, the tenth campus of the UC system. While this effort was eventually successful, very much against the odds, the final word is that with the Great Recession of 2008-09, it unlikely that this feat could be repeated.

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**The Significance of the Event**

Should you wish to illustrate for future generations the best intersection of key public issues and interests in the near nation-state, California, circa 1985-2005, would you be likely to point to the creation of a new public research university? I doubt it. You would more likely point to several other events and forces in this period including the end of the Berlin Wall and its impact on the California defense industry; the rise (and retrenchment) of the great technology industry and its impact on the California economy; or the Progressive Era ballot initiative which enabled the 1978 Taxpayers' Revolt, trumping representative government in California; or the passage of Proposition 209 (anti affirmative action) and related measures which grew from escalating fear and resentment of immigrants and their galvanizing effect on the growing Hispanic/Latino population in California; or the backlash to population growth itself as embodied in the "not in my backyard" environmentalists.

I will argue, however, that the creation of the new University of California, Merced, the tenth campus of the prestigious UC system, was a lightning rod for many of these pushes and pulls in California society during the twenty year stretch between 1985 and 2005. And, in fact, the effort to build the tenth campus provides us with a clear window into the major developments in California during this period, most especially a continuing boom and bust economy, rapidly changing demographics and a growing skepticism concerning the impacts of nonstop growth on the physical capacity of the Golden State.

Many observers thought the much heralded tenth Campus, UC Merced, would never be built. In his end of the century, sad survey of the state of California, entitled *Paradise Lost*, Peter Schrag, one of the best observers of contemporary California, concludes:

*"But California, even with a large burst of new post recession revenue, is no longer the progressive model in its public institutions and services, or in its social ethic, that it once was – had indeed ceased to hold that position long before the last recession began. California's schools, which thirty years ago, had been among the most generously funded in the nation, are now in the bottom quarter among the states in virtually every major indicator – in their physical condition, public funding, in test scores – closer in most of them to Mississippi than to New York or Connecticut or New Jersey. The state, which has almost doubled in population since the early 1960s, has built some twenty new prisons in the past two decades. But it has not opened one new campus of the University of California for nearly three decades..."*

Schrag goes on with the indictment on the topics of freeways, roads, libraries and parks as well as social services. Clearly Schrag saw the Golden State circa 1999 as in a fine mess and in decline. Part of his evidence was the seeming inability of the State to build a new University of California (UC) campus. The UC had symbolized the California dream and by the turn of the twentieth century it looked as if that symbol would no longer grow to accommodate new Californians; that it would not extend its special brand of quality university education to a still growing state.

To those intimately involved in the building of UC Merced, including myself, it became an absolute point of pride that we succeed. But as you will see it was indeed no small miracle that we did succeed given the political, economic and social environment of California over the several decades following the great expansion of the University of California system in the 1960s and 70s.

The earliest planning for the tenth campus began as far back as the original California Master Plan for Higher Education (1959). Clark Kerr documents those discussions in his late in life professional history, *The Gold and the Blue*.<sup>ii</sup> In fact, those early master planners thought two more campuses might be needed, in addition to the three clearly agreed upon in the late fifties. But the idea of a fourth or fifth was tucked well away for many, many years, in fact, throughout the sixties, seventies and well into the eighties. And the primary reasons were resources and just too much on the agenda.

It was not until David Pierpont Gardner re-ignited the topic in the mid 1980s that a focused discussion of the possibility actually occurred. Between 1985 and 2005 enormous shifts in the California political and economic landscape occurred. It is, in truth, no small miracle that the campus was actually built and opened in the fall of 2005. The forces arrayed for and against the effort were not temperate. Strong opinions, even passions were in evidence. Old history, from the "glory" days of UC expansion in the 1960s, influenced attitudes and the drama that surrounded the effort.

At one point in 2003, as the officers of the University (including myself) were yet again testifying before a Senate budget committee on the project, a young, Latina student from the Valley testified most eloquently that the State of California owed the Central (San Joaquin) Valley more than just prisons. She pleaded for the votes to keep the project alive and bring the University of California brand of higher education to the largely Hispanic/Latino youth in the Valley. This argument we dubbed the "social and economic" justice argument. Contrast this with the statement of long time political and San Francisco liberal, John Burton, who coolly called the project the "biggest boondoggle in history."<sup>iii</sup> This the UC Merced team saw as coastal elites denying to the long underserved Central Valley the best that California had to offer. Passions ran high and long over the UC Merced project.

Coastal elites and the emerging Hispanic/Latino community were only two forces in the history of the development of the tenth UC campus. Encompassed in the twenty years prior to its opening was an array of competing forces, juxtaposed along the State's political landscape. Some of those forces were:

- 1) Coastal Californians, particularly San Francisco liberals like Burton vs. the old Guard Central Valley conservative, ranch families
- 2) Economic "haves" vs. "have nots" or urban elites vs. rural poor
- 3) The (almost former) "white" majority vs. the (no longer) "sleeping giant" of the Spanish speaking community
- 4) Public services demands vs. the juggernaut of anti-tax ballot initiatives
- 5) Environmentalists vs. free style land developers
- 6) Name brand environmental organizations vs. local environmental activists
- 7) Established UC campuses representing largely affluent communities vs.

- the upstart Central Valley vying for scarce state funding resources.
- 8) Academic elites in the traditional UC vs. proponents of a different approach to higher education in community colleges.
- 9) Union advocates vs. free market developers in the Central Valley

And the project even involved the international construction pressures California was experiencing:

- 10) The Californian construction industry vs. the emergence of a new Chinese construction mania in the early years of the twenty-first century.

And this is just the short list!

When President David Pierpont Gardner re-opened the discussion on new UC campuses in 1988,<sup>iv</sup> economists were reasonably optimistic about California's economic health. Growth had continued apace for several years and California's population was still expanding. But between the early planning years (1985-89) and the 2005 opening of the Merced Campus, the California economy continued to follow a traditional boom/bust dynamic; a dynamic which more than once cast a grave shadow on the unfolding campus during that near twenty year period. In fact, even in the last year prior to campus opening, campus officers, including myself as Vice Chancellor in charge of finances, budget and construction, were unsure for many months that the new (and most unlikely) Governor, Arnold Schwarzenegger, would provide sufficient operating funds to open the campus. And this uncertainty prevailed even as the \$400 million building program proceeded full steam ahead. For this Vice Chancellor, the stress was considerable.

Also, during this eighteen year period, the political structure of the State underwent more than one major shift. The initiative process, which had turned state finances upside down beginning in 1978 with Propositions 13 and 4, continued to produce amazing new public policy by direct popular vote.... into the 1980s and beyond. Proposition 98 put a floor under state funding for public schools and community colleges. The introduction of term limits via Proposition 140 in 1990 finally broke the lock hold on leadership in the California Legislature. Also, the emergence of a very real Hispanic/Latino giant, galvanized by an anti-affirmative action and anti-immigrant ballot initiatives, was a major development.<sup>v</sup>

Other developments included a growing and powerful California environmental movement, reflecting backlash to unfettered population growth in the Golden State. Growth of the overall population, however, continued with minor glitches in the bottom of the recession of the early nineties. These developments were the backdrop for the drama that played out as the University of California Regents, and top California leadership haltingly moved along the agenda for finally building the tenth campus of that illustrious system...the first in a full forty years since the major expansion of the University during the 1960s.

### **The Fortunes of the University of California (1958 to 2000) and the Groundwork for UC Merced**

#### *The Master Plan Period Through Ronald Reagan*

California was generally proud of its University of California. The UC system leadership mantras were: "UC is the jewel in the crown of California!" "UC is the best public, possibly any higher education system in the world!" "UC is the economic engine that drives the miracle called California." Much of the leadership of the State in the post World War II era agreed with these claims. If the UC leadership seemed a little arrogant at times, no serious California political leader (excepting perhaps, Jerry Brown!) would take issue with the benefits the University conferred on its native State.

It was President Clark Kerr with the support of Governor Pat Brown, the great state infrastructure builder, in the late 1950s and 1960s, who saw the opportunity to catapult the California system of higher education to the heights. Along with the California roads system (complementing the amazing interstate freeway system launched by President Dwight David Eisenhower), north/south water systems, the knitting together of a "system" of higher education under the California Master Plan for Higher Education emerged from the optimistic post War and economic boom times of the late 1950s and early 1960s. The California Master Plan has been hailed and regarded broadly as the key to the success of the three tiered higher education system in California--- one which was fuelled by the generous infusions of federal financial aid to equip the country with scientists, managers, economists and other professionals who would ensure U.S. dominance in the dangerous cold war era.

Under President Clark Kerr, the University of California had thrived and was poised for great expansion in the early 1960s. The demographic analyses anticipated tremendous, continuous growth in the Golden State and thus the demand for university education as well as elementary, secondary and community colleges. The California Master Plan for Higher Education finally defined the roles of the University of California and other "segments"—California State Colleges and the Community Colleges -- even though controversies still remained from the State Colleges point of view on the issues of the doctorate and research. In

the follow-up to the Master Plan, three new UC campuses were planned and one (perhaps two) more was anticipated for a later date (somewhere around 2000 and somewhere around Fresno, in the Central Valley). San Diego was designated a general campus in 1964 with Santa Cruz and Irvine achieving that in 1965. It is significant for this history that Kerr saw the idea of a fourth campus as necessary but just too much to take on in 1960. Here is his description of his thoughts at that time:

*"About forty years ago, when we prepared the master plan and the university-wide growth plan that followed it, the immensity of the potential needs for resources was appalling. As a consequence, while having promised a tenth campus (in the Fresno area); we wanted to avoid it as long as possible. We were overwhelmed in the early 1960s with starting three new campuses and transforming four others, and also with giving UCLA more nearly equal opportunity to Berkeley, while keeping Berkeley out front."<sup>vi</sup>*

Kerr had his hands full. The image of a desperate and exhausted mother bird comes to mind; the mother anxiously and busily trying to bring home the worms for the fledglings. UCLA, which had waited so long for recognition as a full campus in its own right certainly had cause for concern that resources would now stretch too thin. There was history of resentment at UCLA which long felt constrained as the "southern branch of Berkeley." Now, however, nine campuses would be competing for resources. These facts explain the aggressive UCLA style that all UC insiders have experienced. The competition would continue unabated for the next four decades. Who could focus on more campuses?

Had President Kerr not run afoul of Governor Ronald Reagan, he may have had the satisfaction of watching his three new UC campuses grow; on the other hand, he did not have to suffer the heartache of managing the competition for resources. It was left to Charles Hitch (1966 -1975) and David S. Saxon (1975-1983) to carry UC through what became two difficult gubernatorial tenures, sixteen long years.

By 1966, California had turned to its first (but not its last) Hollywood bred governor to bring "law and order" to the State's universities and fiscal discipline to Sacramento. In 1967, Reagan became governor and Clark Kerr lost his job as President of the University of California. Kerr had been perceived and characterized by the Reagan republicans as at least too liberal (i.e. left leaning), too lenient and possibly subversive. He was certainly seen as responsible for the ongoing political challenges coming from the students. Later revelations have shown just how the Reagan people targeted Kerr.<sup>vii</sup>

The pressure for more and better-educated Californians continued apace and the massive expansion in the later half of the 1960s was not stopped even with the political troubles between the University and the Governor. Student political activists, by now a Berkeley birthright, continued from the free speech movement through the end of the Vietnam War. The same president who finally withdrew U.S. troops from Vietnam, Richard M. Nixon, made history as the first American President to resign under force from office. I was a new political science PhD student at UC Berkeley in 1973, the year of Watergate and the Nixon resignation, and with various student mass actions just past, the University was in a precarious political position. These were the Ronald Reagan years, and with the firing of Clark Kerr, University leadership had significant repair work to do with a wildly popular Governor who, if he so chose, could make or break the UC financial future and therefore scuttle the grand expansion goals.

Therein was the true problem for the University of California in the twentieth century and now going into the twenty-first. While grandly called a "constitutional university", even the fourth branch of government in the State, UC leaders were required to make the annual trek to the State Capital, Sacramento, like any other public agency---for the lifeblood of any public university, state funds. And state funds were seriously needed in this era to fulfill the promise of the massive UC expansion that had started in the 1960s. A professor mentor of mine, Eugene C. Lee of UC Berkeley, had been instrumental in the Kerr administration's reorganization of the University of California. Kerr recognized him as possibly the only real expert on UC governance.<sup>viii</sup> Lee ran the Institute for Governmental Studies at Berkeley during the decades of the 1970s and 80s and he was fond of reminding me that, in the end, the University had to go hat in hand to Sacramento like any other state agency.

During my career in Sacramento and in the University of California as Associate Director of the Budget for the UC system, then Vice Chancellor for the developing UC Merced, the name of the budget game for the University was bringing the University's desired budget to Sacramento and leaving that City with the budget in tact and minimal strings attached. The Governor always had the first cut on the University's budget proposal and frequently governors attempted to shape UC policy through the budget process. But legislative review was also always a hurdle as well and one formidable element of that review was the Legislative Analyst's annual analysis of the Governor's proposed budget. Both the Governor and the Legislature increasingly over the years attempted to shape University policy through attaching "budget language" which affected the University in myriad ways. The University could only ignore these missives at their peril.

### *The Surprising Jerry Brown Factor*

When Jerry Brown ascended to the State House in 1976, I was an Assembly Fellow in the State Legislature.<sup>ix</sup> My assignment as a Fellow was to work on the Assembly Ways and Means and Health committees. I had the opportunity to observe first hand Sacramento, a typical cow town capital, where State legislators spent a part of their year in the very hot house environment of a political city, laced with blatant and scandalous lobbyist domination of legislators openly running tabs for elected officials at the local restaurants such as Frank Fats, the Firehouse and Posey's. There was too much alcohol, separation from families, and some naughty women that, in sum, made Sacramento either a haven or a hellhole depending on your point of view. The lifestyle was distinctly different from that of the typical home district! The new Governor Brown came with the intention of changing that old corrupt Sacramento lifestyle. He came with a crusader's passion.

During the previous decade, legislative power was consolidated under the masterful hand of Speaker Jesse M. Unruh. With the "one man, one vote" rule mandated by the U.S. Supreme Court, power in the State Legislature started to shift to urban and suburban areas rather than a disproportionate rural representation. The late sixties and early seventies brought the era of the liberal Burton brothers, Bob Moretti, Leo McCarthy, and finally, in the early eighties, Willie Brown as speakers. The Senate remained the more conservative body, but many senators too shared the values, if not the behaviorisms, of the liberal elite. These liberal, San Francisco Bay Area democrats were a counterpoint to Ronald Reagan, a usurper from that questionable, growing menace in the south, Los Angeles. They happily championed the liberal/progressive cause of University expansion with all it implied for higher education access for all meritorious California youngsters. California, after all, was the Golden State, the perfect American dream. A growing percentage of educated Californians attested to this.<sup>x</sup>

The liberal California legislative leadership, dominated by San Francisco, railed against the Ronald Reagan motto: "cut, squeeze and trim." While the "tax revolt" had not yet arrived, the precursor, Governor Reagan and his hardheaded Director of Finance, Casper Weinberger, were laying the groundwork. By 1974 these liberals were very, very anxious for a change in the State House, as was the University of California, which had been on tender hooks with Governor Reagan for eight long years. Ironically, the budget for the University of California did not fare that badly under Ronald Reagan. Reagan's negative relationship with the University really tied to his distaste for the "leftist" leanings of much of the University community and particularly his distaste for student activists who UC administrators could not seem to control. So the UC leadership along with liberal, legislative leaders was quite happy to see a democratic gubernatorial candidate victorious.

Initially, there was much enthusiasm about Governor Jerry Brown, an ex-seminarian, and the serious and idealistic young son of the great Governor Pat Brown. Jerry had earned his stripes hobnobbing with the upper crust Catholic peace movement in California and with the revolutionary farm workers movement under Cesar Chavez and Dolores Huerta. He strategically ran for the Los Angeles Community College Board (a traditional stepping stone to higher office) and was elected later as Secretary of State. But he was clearly politically advantaged in his political aspirations by the Brown family name and the great popularity of this father. Jerry's Brown's entrance to Sacramento was dramatic and was heavy with rhetoric and symbolism. "Small is beautiful" and "psychic rewards" were two of the more colorful phrases he used. No one actually knew what those phrases meant going in. Austerity was good...as embodied in the new Governor's own life style, which included rejection of the Governor's mansion as an appropriate abode (a Ronald Reagan style ranch home.); a small apartment near the capital with a simple mattress on the floor; more suitable for a monk's chamber than a governor; and a old Plymouth rather than a limo. A new breed of Jerry Brown types who had cut their teeth in the War on Poverty, Civil Rights, Farm Workers and Anti-War movements came along with the Governor and they were all filled with the rhetoric of change.<sup>xi</sup> He brought women and minorities into top jobs, which certainly signaled change. Even his carefully managed romp with Linda Ronstadt (a certified folk singer) seemed innocent, fresh and indicative of change.

The University of California leadership had reason to be hopeful that this new Brown would follow in his father's, rather than Ronald Reagan's, footsteps. They hoped he would see UC as the State's pride, the "crème de la crème" of higher education in the nation. But Jerry was to sadly disappoint University leadership. Surprisingly, he lashed out at the University and the University's powerful "Administration" and he aligned with students and activists, whose scorecard with the UC Administration was long and filled with painful episodes. Brown was the first governor to bring the question of the Hispanic/Latino cause to the fore and his views about how the University performed on this score were not friendly. Brown thought the University Administration arrogant and uninterested not only in student perspectives, but also in the interests of the poor, black and brown communities. Where UC leadership had hoped for budget success to fuel now nine campuses, Governor Brown proved true to his word: "small is beautiful." and he cut the University budget significantly. To quote Peter Schrag:

*"For 4 years (1974-78) Brown had been berating the State's schools and universities for their wastefulness, occasionally threatening to give them not another dime of new money if they didn't shape up. Never, he declared at one Regents' meeting, 'has education been more irrelevant to more kids.'"<sup>xii</sup>*

The UC leadership found itself embattled with the second Governor Brown from the start.

Thus, during the mid to late 1970s, the University of California, which had just greatly expanded its University system by adding three new campuses all of which were hungry for resources, experienced the seventies as an embattled (with two governors), constrained, and halting era. Recalling his first breakfast meeting with the UC Regents the day of his appointment as UC President in 1983, David Gardner stated:

*"Even so, everyone (regents) seemed clearly committed to the university's well being, its mission, and its importance to the state, while expressing time and again a fear for the university's immediate and prospective fiscal health. The fear was well founded, owing to the deteriorating base of the University's funding from both state and federal sources, the reduced state of affairs for the university's five medical centers, and low morale within the university as a whole, weary from fighting with California governors for sixteen years, eight with Ronald Reagan and eight with Jerry Brown."<sup>xiii</sup>*

Much of this history, particularly as it relates to the University's budget fortunes is relevant for what would later transpire during the 1985 to 2005 period, the period for development of the next UC campus.... UC Merced.

Jerry Brown's era ended in 1983 with mixed reviews for the Governor. Small may have been beautiful, but California was still growing and there was great demand for public services. In the late 1970s property taxpayers were feeling the burn of added taxes to support growing schools and other local programs. Hence Proposition 13 in 1978 changed the financial landscape of California forever and with it the fortunes of the University of California. The tax revolutionaries followed the next year, 1979, with the Gann Spending Limited which was intended to assure that State and local spending would not grow beyond the population increase plus cost of living or increases in personal income (or the lower of the two). The "Spirit of Thirteen", as it was dubbed, compromised further the State's ability to take care of its public universities. Howard Jarvis and Paul Gann were (and remain) heroes to anti-tax voters throughout the nation and these two intrepid organizers lassoed that sentiment in California effectively through the ballot initiative process, bypassing the non-responsive California Legislature and a democratic Governor. Proposition 13 which finally brought property tax relief to the homeowners of the Golden State combined with the Gann Spending Limit sent all government service providers scrambling. These propositions put the brake on property taxation, government spending, and a wrench into the works of public support for schools, colleges and universities as well as myriad other local and state services.

Not surprisingly, the gubernatorial election of 1982 was greatly influenced by the "tax payers revolt" of 1978 which some say Brown's policies on State reserves and the Legislature's inability to act, invited. By 1981, with a gubernatorial election campaign on the horizon, Proposition 13 was turning the entire State's funding structure on its ear. Since Proposition 13 effectively limited tax increases for property ownership, the State was put in the position of having to bail out important locally provided public services such as public schools, cities' and particularly counties' services which were heavily dependent on property tax revenues. With Proposition 13 and the Gann Spending Limit combined, the State was forced to make very hard decisions about expenditures. The significance of these developments for the University of California, a largely State funded institution, its financial fortunes and future directions was profound.

The University of California had always relied on State funds as its fundamental source of funds for its core missions of instruction and research. UC had a proud policy of no tuition, only minimal fees, for many, many decades. Over the five decades of the post World War II era, federal financial aid supplemented this state support and gradually growing research support from federal agencies did as well. UC had no history of local financial support as UC was always seen as a State responsibility. But now that responsibility would have to compete with public schools as well as other previously supported local services which had the rug pulled out by the aggressive taxpayers' revolt. Further, the University of California's budget was never mandated by law in any way. Its' funding was always discretionary. That is, the Governor and the Legislature could appropriate at the level they considered appropriate. The State generally took the posture that it had an obligation to fund the state universities including the UC and California State institutions. But with the heat on state funds at the outset of the 1980s, and sixteen years of strife between the University of California and two separate governors, UC leaders had a great deal to fear. UC President David Saxon kept a weary eye on Sacramento as the 1980s unfolded. After Ronald Reagan took the glow off the UC moniker and the bitter experience of Jerry Brown, UC leadership was indeed wary of what the next gubernatorial election would hold.

### **The Gardner/Deukmejian Partnership and Renewal of Growth Plans**

Enter George Deukmejian. Deukmejian, who successfully beat Los Angeles mayor and democrat, Tom Bradley, in an excruciatingly close gubernatorial election of 1982, was no Ronald Reagan, but he proved to be a godsend for the University of

California. Deukmejian was a different kind of governor in many respects. He had no star quality, was not the son of a former popular politician; was not from San Francisco. He had been a legislator and State Attorney General, but charisma was not his quality. Rather he was a lawyer from Long Beach and a son of Armenian immigrants from (Turkey) who was very interested in the law and especially crime and public order. Candidate Deukmejian sufficiently convinced his republican base that he was an appropriate heir for Ronald Reagan. He also had ties to other Armenian Californians, many of whom were scoping out the Central Valley as a next great growth area of the State. In fact, he appointed Leo J. Kolligian, a fellow Armenian and Central Valley attorney and developer to the UC Board of Regents in 1985. It was Kolligian who pressed the Regents from the beginning of his twelve year tenure on the Board to create a Central Valley campus and he eventually made the successful motion in 1988 to build the a new Central Valley campus. The long standing agricultural base of the Valley, combined with incredibly strong and well organized developer interests, including the Armenian advocates would become primary champions for the new UC Merced.

Deukmejian and his Armenian friends proved to be a turning point for the Central Valley campus effort and Deukmejian proved to be a totally different kind of governor for the University of California overall. He, in fact, proved to be an excellent advocate for the University of California in most regards.

It was the partnership between Governor George Deukmejian and the new UC President, David Pierpont Gardner that led directly to the decision to build the tenth UC campus. Perhaps it was the fortuitous circumstance that David Pierpont Gardner (1983-1992) was well regarded in republican circles having just come from chairing the task force which produced the much hailed “*A Nation at Risk*” study, but the new Governor seemed willing to listen to President Gardner, when the previous two governors were noted for criticizing and browbeating UC leadership. *The Nation at Risk* study was a no non-sense reform agenda for the nation’s public schools and music to the ears of conservative politicians.<sup>xiv</sup>

Before Gardner could revive the new campus discussion of two decades earlier, he needed to and did lay the groundwork for improving the University of California’s budget in a very good partnership with the new Governor who seemed to genuinely care about the quality of the institution. In the end, Governor Deukmejian proved to be a great ally for the new UC President in the expansion agenda that President Gardner brought to the job.

I was the Associate Director of the Budget for the University of California during the Gardner and Deukmejian years and it was most interesting to see how the Deukmejian/Gardner partnership successfully moved the University to a better financial place during these early years. Gardner provided bold leadership. In the beginning many thought he might have edged over to foolish. Even our experienced and excellent budget team led by Vice President Bill Baker and Director Larry Hershman were skeptical at first. However, we soon saw that Gardner was a master of strategy and quite determined to win in the Sacramento game. With our good partners in Sacramento, Government Relations Director Steve Arditti and Assistant Director Celeste Rose, we systematically laid the groundwork for healthier budgets.<sup>xv</sup>

This groundwork was absolutely a prerequisite to openly discussing the prospect of a new campus (or campuses). The older campuses and the three built in the 1960s had lived through the difficult Reagan/Jerry Brown years and there was little internal support for establishing new campuses. It was widely understood within the UC administration that the new campus idea was a touchy one. It had not changed since President Kerr’s administration. Thus Gardner knew he had to bring home the bacon before he broached the topic within the halls of the academy. And bring home the bacon, he did. The first year budget of the Gardner administration, agreed to by Governor Deukmejian, and included a stunning near thirty percent increase plus substantial capital construction funds. The Gardner/Deukmejian era was off to a good start.<sup>xvi</sup>

In October, 1988, President Gardner presented the first major public feasibility analysis for building three new UC campuses.<sup>xvii</sup> The demographics, like those of the 1960s, pointed to continuing growth, and there was under-capacity in the UC system. In carefully orchestrated Regents meetings, the case was made for the expansion. The existing campuses were nervous and, given the history of difficulties with finding resources after the last great expansion and the culture wars with Governors Reagan and Brown, many campus leaders were opposed to moving a further expansion agenda. Further, California voters had yet again passed a major budget initiative, Proposition 98, (1988). This one put a floor under spending for the State public schools and community colleges, although bypassing the state’s public universities.<sup>xviii</sup>

Proposition 98 was yet another harbinger of fiscal distress for UC and the State. Nonetheless, the Gardner administration moved forward with his expansion plans as he could rightfully demonstrate some years of successful budgets in Sacramento. In 1988, Gardner started the process with consultations with each campus and regents. By 1989, Gardner had proposed criteria for campus site selection.<sup>xix</sup>

In March of 1991, President Gardner took three locations (Lake Yosemite in Merced County, Table Mountain in Madera County and Academy in Fresno County) to an executive session of the Regents for their consideration. They approved the short list. At least the first new campus project seemed to be on track.<sup>xx</sup>

In 1990, the republicans yet again captured the statehouse. Another republican from the southland, and one with many years of Sacramento as well as City of San Diego experience, Peter Barton "Pete" Wilson, became Governor in January 1991. UC leadership had high hopes for continued good times.

But in 1990-91, California's perennially fickle economic life took a new nosedive and one which many have characterized as the most serious fiscal downturn since the Great Depression. (Little could the pundits of the 1990s have anticipated the truly Great Recession of 2008-10.)<sup>xxi</sup> The Berlin Wall had come down and California's defense industry was in trouble. That trouble meant reduced revenues for the State. Additionally, Proposition 98 was just kicking in and clearly the schools and community colleges would be protected with this voter-approved initiative. All of this spelled new budget woes for the State and the University of California and those woes proved to be very deep indeed.<sup>xxii</sup>

With the State Budget again in trouble, the Gardner administration slowed somewhat the tenth campus agenda, delaying the hiring of environmental consultants for site evaluation. But the academic planning continued and other aspects of evaluation proceeded.<sup>xxiii</sup> For Gardner, this outcome was no doubt very frustrating as he had planned so carefully and had so effectively worked with a friendly governor. But in the long run, President Gardner's expansion plan, at least one campus, if not three, was to come to fruition.

### **The Long Stretch Through the Nineties: Keeping the Goal in Site**

Subsequent presidents, Jack Peltason (1992-1995) and later Richard Atkinson (1995-2003), kept an internal team working on the academic planning and an outreach office was established to work with schools, community colleges and families in the larger Central Valley. Vice President Bill Baker was deployed to keep the Central Valley community warm as the State and University road out yet another period of economic challenge.

In 1994, Governor Wilson ran for re-election on a platform that challenged illegal immigration and affirmative action racial quotas. Those matters were much on the State's collective mind as the Hispanic/Latino population continued to grow rapidly and the borders appeared porous. But the challenge Governor Wilson proffered ultimately backfired as demographics were simply changing too rapidly to stave off that growth through tightening the borders and limiting affirmative action.<sup>xxiv</sup>

President Richard Atkinson, formerly Chancellor of the very successful UC San Diego campus, had a special opportunity as new UC President in 1995, given his connection to the former mayor of San Diego and then Governor, Pete Wilson. Atkinson and Wilson eventually moved the tenth campus agenda along, although it was not without significant prodding by new political powers in Sacramento, especially Hispanic/Latino powers and certain tenacious Central Valley legislators backed by the developers and their friends.

As one reviews the history of the University's reports to the State Legislature and the Regents during the years just on the heels of the 1991-92 budget bust and into the mid 1990s, it is apparent that the new UC leadership was as timid as Clark Kerr had been about committing resources and risking dilution of that star quality brand, called UC, by creating a new hungry mouth to feed. But changes in California society were about overcome this reluctance.

In 1993, Cruz Bustamante was elected to the California State Assembly from the Central Valley. Within two years, Mr. Bustamante was Speaker of the Assembly (a feat not possible in previous times prior to term limits) and then in the year 1999 Mr. Bustamante ascended to statewide office as Lt. Governor, the first Hispanic/Latino to be elected to statewide office in 120 years. During Bustamante's speakership, the need for the new UC campus, located in the heavily Hispanic/Latino Central Valley, began to be framed as a matter of social and economic justice. Lieutenant Governor Bustamante was fond of telling a story, which put him in the hero's role on approval of the Central Valley campus. He recounts (with very colorful language) how he stonewalled the President of the University, Richard Atkinson, on the University's budget approval until Atkinson was willing to say he would go forward with the new campus. Bustamante also relays how he dogged former Senator Leroy Greene, a key Senate education leader, on a key vote to assure the UC Merced item was in the University's budget language. Bustamante felt the University leadership would prolong indefinitely the plan for the Central Valley campus unless he used such tactics.<sup>xxv</sup>

But political pressure from the Central Valley leaders including Bustamante, Congressman Gary Condit (who had close ties with Governor Gray Davis), State Assemblyman Dennis Cardoza and Senator Richard Montieth, who could now taste the dream of

the new campus and who had been promised a campus since the 1989 vote of the Regents, was now becoming formidable. Recognition that the Central Valley was one of the fastest growing areas of the state, if impoverished, was mounting. Further, the coming of age of the Hispanic/Latino political community was a powerful counter force working in favor of the new campus. Somewhat later, a group calling themselves the "Greenlining" group prevailed upon President Atkinson to formalize an agreement about action steps the University could take to improve relations with the Hispanic/Latino community and high on their agenda was UC Merced.

In 1995, with yet another state economic recovery in the works, the Regents took the final plunge and engaged in a site selection process that finally resulted in the selection of the site for the tenth campus. On May 18, 1995, the Regents selected the small farming and ranching community of Merced, fifty miles north of Fresno and set in the gentle foothills of the Sierra Nevada's, adjacent to a gleaming Lake Yosemite.<sup>xxvi</sup> The selection stunned many, especially Fresno leaders, as Fresno had assumed it would be victorious all along. After all, throughout the 35 year period between the Master Plan and 1995, Fresno was the place usually referred to when the idea of a tenth campus was mentioned at all. From the selection in 1995 right down to the opening, some Fresno stalwarts (not including Leo Kolligan, an attorney in Fresno) never ceased complaining about the Regents' decision. Their primary cheerleader, Dan Walters, of the Sacramento Bee, regularly wrote columns, which had only one flavor: sour grapes, right up to the opening of the campus in 2005.

The Merced Community, which made the proposal to the UC Regents, demonstrated a truly admirable degree of organization and campaign strategy in their effort. Their strategy included having six thousand school children from the area send postcards to the Regents. The community leadership made several appearances at the Regents meetings. The Community arranged for an offer of "free" land to the Regents from a local educational trust. The local heroes of this venture were Bob Carpenter, an insurance company owner in Merced (later dubbed Mr. UC Merced); Betty Lou George, a County Education Board member and one of the Virginia Smith Trust lands' trustees (the property which eventually became the campus; and Ken Riggs), a local bus company owner and respected citizen in Merced. These were very dedicated individuals who saw only one future for their little Central Valley town; and that future included a university.<sup>xxvii</sup> Fresno, on the other hand, simply did not pull itself together and perhaps was too sure that the selection would have to be their City.

The selection was mired in controversy from the beginning. However Fresno snubbed was the least of the problems. If the new campus advocates thought by the site selection the heavy lifting had ended, they were sadly mistaken. Soon to come were new challenges including painful waffling at the UC headquarters, an aggressive attack by local environmental activists, and yet again State budget distress.

In 1995 Richard Atkinson was elected President of the University following Jack Peltason who had been selected in 1992 and served only three years.<sup>xxviii</sup>

Atkinson's selection was not without controversy for a variety of reasons, among them concern that the San Diego campus would now finally overtake UCLA and even Berkeley. Along with his truly outstanding staff, Atkinson had long been associated with the rise of UC San Diego and this put much fear in the hearts of the two traditional campuses, UCLA and Berkeley. He was considered a highly successful chancellor at San Diego, a formidable leader and a true challenge to the traditional campuses.

Atkinson was also a chancellor who had worried considerably about adding another campus to roster, arguing that resources were still needed at the "new" campuses, those founded in the 1960 period. His staff regularly conveyed these thoughts to the UC Budget Office team. A key member of Chancellor Atkinson's team, Vice Chancellor Wayne Kennedy, moved with him from San Diego to the President's Office. Thus it is no surprise that almost at once President Atkinson began back-pedaling on the new campus idea.

Several articles appeared which quoted the new President as questioning whether enrollments would materialize sufficient to justify Merced. Other articles featured the resources crunch the University leadership felt. One article declared that the "UC has entered a radically new era of sharply reduced resources."<sup>xxix</sup>

With this lukewarm to cold support in 1995-96 coming from the UC President, what were the prospects of a new campus in the Central Valley? This negative publicity, reflecting washy support for the new campus, haunted the new campus' leadership team over the next five years; resulting in endless public relations difficulties. Local and State politicians and local community leaders as well as the press, even construction companies, frequently expressed doubts about whether the campus would ever be built. When serious faculty recruitment and later student recruitment began, campus leaders were hard pressed to make a convincing case that the campus would open. We were constantly looking for strategies to re-assure all parties of the viability of getting to the finish line.

However, Atkinson's and the Regents' ability to withstand the mounting pressure for the State to finally perform on their promise to the Central Valley was soon challenged. The new Speaker of the State Assembly, Cruz Bustamante weighed in on the topic with startling clarity:

"University of California officials who have been going slowly on building a new Central Valley campus may soon find themselves under renewed pressure to get moving with the project. The most immediate reason: Assembly Speaker Cruz Bustamante D-Fresno. On his first day as the new Speaker, Bustamante was asked about his highest priority. 'Building the Central Valley campus,' he replied"<sup>xxx</sup>

As the new Speaker Bustamante would serve on the UC Board of Regents, and he was not shy in bringing home his point of view. <sup>xxxi</sup>

With the political landscape changing in Sacramento, the UC leadership moved the project forward, all the while worrying about the fragility of the State budget and the huge costs of building a new campus. The balancing act for the UC leadership was to move the project forward, but assure that the other campuses would not suffer as a result. This viewpoint was well illustrated in the remarks of the Vice President for Budget, Lawrence Hershman, in July of 1997 to the Board of Regents. "Status Report on Planning for the Tenth University of California Campus." The minutes record:

"Mr. Hershman noted that budgetary planning for the tenth campus must be undertaken in the context of long term planning for the financial health of the University as a whole, as emphasized by Regent Johnson at yesterday's meeting. From a financial point of view, the University's ability to build the tenth campus depends on the availability of adequate resources both to develop a new campus and to insure the continued financial health and enrollment expansion at existing campuses."<sup>xxxii</sup>

For the pre-opening phase of campus development, the rounded total construction and operating requirements were \$400million. This was no small investment and not lost on the California's Legislature's Legislative Analyst's Office, which consistently resisted positive recommendations on the project, usually related to the argument that the State could not afford another UC style university.

In 1997, a very critical step was achieved. For the first time, state bonds were included in the statewide higher education bond measure for a new campus in the Central Valley. Further, \$4.9 million in planning funds for the new campus, for what was first called, UC San Joaquin, were included in the 1997-1998 budget. This was the last budget proposal prepared by Governor Pete Wilson. The credit for these achievements goes to Assemblyman Dennis Cardoza working with a bi-partisan Central Valley team of elected officials and local leaders. Cardoza formed a smart partnership with the UC Budget officials, notably long time UC Budget guru, Vice President Lawrence Hershman, and an agreement was struck that would insure that funds committed to other campuses would not be diminished as a result of the "special funds" set aside for UC Merced. Demonstrating the same determination that the Merced community showed in the site selection process, these political leaders simply did not quit until they had the UC officials on board.<sup>xxxiii</sup>

Then, in 1998, the election for governor took place. After sixteen years of republican domination of the California statehouse, the State's democrats finally found a winning candidate, although the victory was relatively short lived. Joseph Graham Davis, known to the public as Gray Davis, was a well known player in Sacramento. Davis, a Stanford undergraduate and Columbia University law graduate, had had a long career in Sacramento beginning with a stint as Jerry Brown's Chief of Staff. He had been State Controller and Lieutenant Governor. He beat Dan Lungren, a republican considered simply too far to the right, to be acceptable to California voters. He attempted to style himself something of a moderate democrat, although his ties with unions were deep. And he handsomely won the Hispanic/Latino vote, a community unhappy with the Pete Wilson's brand of anti-immigrant campaigning. <sup>xxxiv</sup>

Gray Davis was hardly a Jerry Brown. He was a willing Sacramento insider and enjoyed the political life enormously. Davis seemed willing to continue to foster growth in the State. His first election was coincidental with the technology boom and this allowed some room for such a direction. Davis also declared his intention to make up for the serious funding shortfalls in the public schools (despite Proposition 98) and he embraced the idea of a new UC campus, perhaps envisioning a similar legacy to the great builder, Pat Brown. Davis has close ties with Congressman Gary Condit from the Central Valley and Davis had his eye on the rapid growth and potential of the Valley. Perhaps now, with a gubernatorial champion, the tenth campus would become a reality.

### Governor Davis and High Gear Planning

In 1999 when he assumed Office, Davis quickly moved to embrace the UC Regents declaration that it was time to build a tenth UC campus. In fact, Davis declared that this would become one of his top priorities. He astonished UC leadership in declaring that a 2005 opening date was too late and it should be advanced to 2004, not coincidentally the year he would face re-election. He took the unprecedented step of creating a cabinet level "Red Team", chaired by his Secretary of Consumer Affairs, to assist UC planners and administrators in getting the job done sooner rather than later. This team proved very useful to the newly formed campus administration as we made our way through various issues including strategy for environmental challenges, financing of essential utilities through a state infrastructure bank and clearance to move forward construction contracts crucial to the campus development.

In 1999, UC President Atkinson finally got the message and took the important step of appointing a chancellor for the new campus, Carol Tomlinson-Keasey, a former UCR faculty member, UC Davis dean, and most recently a Vice Provost in the President's Office. Tomlinson-Keasey was certainly new to the types of challenges she would face in the role as builder of a new campus. She and I often chuckled over the fact that as a PhD in psychology she had no expectation to be dealing with such issues as public financing of construction and environmental wetlands. She had no experience with development and little political experience. She had not been a chancellor or vice chancellor previously. But she was a smart, compelling and tenacious leader, who was dealt a hand by UC leadership which even the most seasoned of university leaders would have found extremely difficult; perhaps even impossible.<sup>xxxv</sup>

The new Chancellor had already been involved with the project as Vice Provost in the President's Office for a few years. She got to work immediately with a small staff group called "The Merry Band" some of whom had been working on the project since the 1980s. She moved to Merced as quickly as time allowed and quickly engaged the high powered Sacramento team made available by Governor Davis. She engaged a key colleague and confidant from her UC Riverside past, Jim Erickson, as well as Regent Leo Kolligian, to assist in pulling together a powerful UC Merced Foundation Board composed of renowned individuals from around the State and particularly in Central Valley. That Board was to assist in the advocacy and fundraising for the soon to be born campus. Erickson was a master in persuasion and very dedicated to the Chancellor's success. He assembled a magnificent Board and one which time and again assisted in the political heavy lifting. Also, the Chancellor began to assemble an executive team to help her organize the university. By 1999, planning funds were flowing and capital construction funds were in the wings. However Governor Davis' advanced timeline for opening was truly a very difficult proposition. The declaration to open by 2004 weighed heavily on the mind of the new Chancellor and her team. Experienced people could easily see the folly in attempting to meet the Governor's timeline. Frankly, we had no choice but to plunge ahead.

At this point, 1999-2000, things were looking up for the prospective campus in the Valley. The UC Regents had selected a site, the President was (more or less) on board, local politicians had insinuated the project into the capital and planning funding streams of the State budget process, and the new Governor had avidly taken up the cause, putting some of his chief lieutenants on the task. The Hispanic/Latino community pledged support and volunteered advocacy. The UC Merced planning team, however, was just about to run into a buzz saw of environmental opposition which would put the project to its most severe test most other than the continuing roller coaster economy of California. Jeopardizing its progress in many ways, the environmentalists who emerged at this time undertook legal challenges and fought the project continuously in Sacramento as yearly budget deliberations occurred.

To understand the environmental challenges the Merced leadership team faced, it is necessary to return to 1995. Between the years 1995 to 2000, the UC President's Office staff proceeded with work on the proposed campus including the work of the Academic Task Force with appointed representatives from each other UC campus. Also, it included a comprehensive consultation process with the local community for planning the campus site and developing a long-range development plan that would guide its future. Even though in earlier years, President Gardner had delayed environmental evaluations, evaluations did finally get underway in the later nineties. The UC planning team held myriad public forums on the proposed site and engaged both faculty and other professional assistance in evaluation of land impacts. It was during this period that the first opposition, from two local groups in particular – the San Joaquin Raptor Society and Save Our Water – emerged.

As the physical evaluation of the proposed Merced site proceeded, serious problems emerged about natural resources and conditions of the property. When the Regents started this process many years earlier, little was really known about the property. But as faculty experts and paid consultants were enlisted to assist with the physical evaluation, it became clear that the 10,000 acres of the joint Smith Trust lands had some serious liabilities.

I joined the UC Merced planning team in 2000 as the Vice Chancellor for Administration. I was recruited by former UC Vice President Bill Baker who had had a significant hand in Central Valley/UC relations and for whom I had previously worked. Just

prior to my joining the team, the facts concerning the environmental conditions on the Smith Trust lands, became public. And the news was not good. One headline in the Sacramento Bee declared: "UC's Site Has Big Secret."<sup>xxxvi</sup>

The big secret concerned the fact that the land was rife with "vernal pools", seasonal pools which were created each spring in large parts of the Trust lands, resulting in truly beautiful, even glorious wildflowers and a now infamous little critter called the fairy shrimp. And shrimp indeed was this critter, measuring less than one fourth of an inch. The creature was considered endangered and the vernal pools were considered pristine and a unique habitat. The vernal pools were called "wetlands" and local anti development activists (never more than a handful of advocates) decided to take on the University of California and challenge its right to build a new campus on the 10,000 acres of the joint Smith Trust lands. Time proved that these local activists were dead set against the campus' development on any of this land; although they frequently testified that they had no objections to a campus per se. They attempted to engage some of the larger organizations such as the Sierra Club to their cause with little success. But the threat of that more powerful sector's opposition lingered. From this point forward the campus leadership was in a constant state of conflict with these local environmental advocates who subsequently filed multiple lawsuits to thwart the project. The legal and political thicket, which developed over the next several years, pre-occupied campus leadership and cost millions of taxpayer dollars. The woes of the UC Merced project with these local environmental activists were quite illustrative of how the general development process was fairing in California; it was a historical juncture where California expansionism ran headlong into a fully flowering anti-growth mood in much of the population.

In order to defuse this emerging opposition, which was garnering national attention, in the first months of 2001, we developed a strategy for re-siting the campus within the Virginia Smith Trust lands. Early planning scenarios had anticipated building the campus on the high ground of the overall properties, to the eastern-most, foothill area. When the campus leadership recognized that this property, which was on the Virginia Smith land, was the most sensitive in terms of environmental impacts, a decision was made to move the proposed location down near Lake Yosemite, a location that would impact fewer acres of wetlands (although still a substantial number).

UC lawyers determined that the general use of the Smith Trust lands required a clean water permit from the federal government, the Army's Corps of Engineers, and sign off from the U.S. Environmental Protection Agency (EPA) as well as the U.S. Fish and Wildlife Service. But federal permitting, IF it could be achieved at all, would take years. And the Governor had declared Merced was to be opened in 2004. So the decision to re-site the campus nearer Lake Yosemite was entirely a practical one. As it happened, the Virginia Smith Trust had built a golf course on roughly 200 acres of their lands near the Lake. Because the land was previously developed (even if only a golf course) we believed it was possible to persuade the federal agencies to permit the University to build on that acreage until the longer-term process for the full 2000 acres could be completed.

When I arrived at the campus in the fall of 2000, however, the Regents of the University of California did not yet actually own any of the Trust lands and negotiations with the Trust had bogged down. The project stood merely as a promise at this point. What to do? My first major task was to steer the acquisition of an appropriate 2000 acres within the Virginia Smith lands that would become the actual campus site. Since the campus was at that very time changing from the originally planned location of the site, complex, but quick analysis was required. Quick and careful teaming with the UC President's Office Real Estate Services Group and Office of External Finance as well as with UC General Counsel was needed. Sketching out the sequence of events which would lead to bringing the negotiation to conclusion and coordinating the team of real estate experts and lawyers occupied much of my first six months.<sup>xxxvii</sup>

As it turned out, the Virginia Smith Trust was in deep financial difficulty due to a golf course business investment on the Trust lands. This venture had not been profitable and indeed the Trust was having significant difficulty with making bond payments. The golf course could be developed more easily from the perspective of the federal clean water requirements. While the 2000 acres were, by promise of the Merced local leaders, to have been donated to the Regents, the Trust was in no position to make the donation of the golf course portion of their lands. The Trust was over \$8 million in debt on the golf course and the Trust could not abandon that obligation. What to do? The Regents had to formally acquire some portion of the joint Smith Trust lands to proceed with the project. Most of the property was not immediately available given the permitting issue and that small portion which was possible to build on, was tied up in big debt.

This issue of the "free land" posed no small concern. The Regents approval of the Merced site was contingent on the idea of donated land. Should the University now have to pay for the "free" land, the public site selection itself could be questioned. As we pondered these matters with UC lawyers, we were lectured by the President's Office about the Merced community's commitment. We were pushed to bring home to the local community leaders that their commitment must be met or else. But Merced was a small town and both the City and County were very, very poor. Eight million dollars were not going to be found in that community. To further complicate the picture, the Chancellor and I were soon to visit Sacramento in search of approval for

major construction funds. The Legislative Analyst was, at this time, seriously questioning whether the UC was making sufficient progress on a specific site and master plan for the campus.<sup>xxxviii</sup> The key question we faced: Could we meet the Governor's deadline? Our UC President's Office budget team wanted assurances we were moving. And we had yet to acquire the site.

It was at this point that the Chancellor and I began discussion about possible financial help from other (non public) sources to assist with "defeasing" the Virginia Smith debt so that we could acquire their property. It was necessary to find alternatives to public funds as the selection of the site by the Regents was clearly contingent on the idea of a gift to UC. While I worked with the UC President's Office and UC General Counsel on acquisition, I also spent considerable time re-assuring the Virginia Smith Trustees that we would find a solution.<sup>xxxix</sup> The Chancellor, through various contacts, sought the assistance of the David and Lucille Packard Foundation. With the help of President Atkinson, the Chancellor met Richard T. Schlosberg, III, President of the Packard Foundation and appealed to the Foundation's reputed interest in the environment and "smart growth" as well as their continuing interest in education. I recall being in an airport with the Chancellor and writing, on the spot, a proposal to the Packard Foundation. (This "on the spot" approach was something we time and again had to employ as there was never a clear recipe or map for next steps and never was there enough time to carefully plan.) In that proposal, we explained how they could make history by helping the University of California actually acquire the 2000 acres needed for the campus through a gift and at the same time enjoy a double win with the reasonable environmental community by putting the residual 5,000 acres from the Virginia Smith Trust lands in a permanent trust with *The Nature Conservancy*, never to be developed. Also, by re-siting the proposed campus to the Lake Yosemite location, less damage would be done to the vernal pools and further, we would create a dense urbanized community just south of the campus on ranchland purchased from the John Meyer Ranch to be jointly owned by the University of California and the Virginia Smith Trust. This was much preferable to suburban sprawl which would otherwise inevitably would come to the area.

Packard came through with over \$12.7 million which allowed us to achieve all of our goals including helping the Virginia Smith Trust to establish a small pot of continuing scholarship funds. In the end, the work to complete this land transaction was accomplished with the assistance of some excellent staff at the President's and General Counsel's Offices. The Regents took possession of the land that was to become UC Merced in March 2002. The Packard grant was the magic bullet needed to solve the land acquisition challenge.

The Regents were in a delicate position when they were confronted with the final approvals of the land acquisition proposal (including the Packard grant). When we brought forward the acquisition item to the Regents Meeting in January of 2002, along with a proposed Campus Long Range Development Plan and the first building projects, the decisions before the Regents were monumental. At stake were millions and millions of State and University resources, but more important, the reputation of the University of California. The land transaction was a very complex package, but one which seemed to have wins for everyone: UC Regents, the Central Valley legislators, the Governor, the Virginia Smith Trustees, the people of the Central Valley and Merced, and at least the "reasonable" environmental community. But there was one serious flaw. There was simply no guarantee that the federal agencies would ultimately grant the environmental permits needed to fully develop the campus. The Regents could go forward with building the first phase of the Campus on 100 acres of the previous golf course since there were no vernal pools on that land, but the risk was enormous. What if the federal agencies simply denied the permits? How would the Campus grow to its projected 25,000 students?

We had done considerable work in preparing the Regents individually as we proceeded to the Board meeting where the proposals were to be considered. Over the previous three months, certain Regents had combed through the Plan and building designs and demanded numerous changes. These Board interactions proved a fascinating illustration of how intrusive the UC Regents were becoming in campus business, reflecting a weakening of the traditional role played by the UC President in managing the University. Finally, however, The Board of Regents' concerns were dealt with to the Board's satisfaction, although not without costs, especially in terms of precious time loss. It was now "fish or cut bait" time for the Regents, and we did the best we could in outlining the Long Range Development Plan, building concepts, and the complex Packard grant and related land acquisition proposal.

In executive session of the Regents meeting, January 2002, the risks were thoroughly discussed. The Board members asked the General Counsel a number of strategic questions about possible legal challenges. Everyone knew the stakes financially, politically and legally. We all expected to be sued by at least the local environmental groups. One question concerned the possibility that the lands south of the campus might be available to become the campus should the federal permits be denied, but that idea was anathema to the Virginia Smith Trust as the Trust was counting on large profits from a university related housing development community for their scholarship funds. Finally, however, the Regents decided to go forward. It was a most dramatic moment when the entire package was approved. I believe we breathed easily for perhaps ten minutes after that event. Then the truly hard work of delivering was upon us.

During this entire process, few in the University of California were truly of the opinion that the UC Merced would actually be built. As leaders of the campus, we often would find ourselves facing blank stares from one or the other of our colleagues who saw the notion in the realm of fabled myths, given the checkered history of the project. Also, much of the Central Valley community was skeptical given that history. But in January 2002, the Regents finally put their stake in the ground and authorized us to proceed. This they did, knowing full well that lawsuits would follow.

Even before the Regents action, the extreme environmental contingent from the local community was resolved to undermine the project and were regularly traveling to Sacramento to attempt to unravel our support for campus funding. As we hurried to complete the enormously complex land deal and plunged ahead into the preparations for commencement of building designs and construction, these opponents were a source of constant distress. They filed multiple lawsuits, regularly prevailed upon Sacramento political leaders to attempt to stop the project and they harassed the campus with multiple information requests intended to jam our very, very limited staff. They had, however, few sympathizers in the Central Valley and with each stage as they pushed their legal challenges they lost in the courts. We worried constantly about their next moves if only because of the delays and costs they caused.

After the Regents approval in January 2002, we wasted no time in moving to the next steps. In March, the Virginia Smith Trust land was conveyed to the Regents and the first site and physical infrastructure work began in September. Over the course of the next several months leading well into 2003, preparations continued for the further construction work. A bustle of contract development and selection of architects and engineers got finally was underway. The UC Merced Foundation, including several of the primary advocates for the campus such as John Garamendi Sr. (a former state legislator and State Insurance Commissioner, current congressman and often spoken of as a gubernatorial candidate for governor); Leo Kolligian (a lawyer and former Regent from Fresno), Fritz Grupe (a respected developer in Stockton), Roy Brophy (a highly successful construction company retired executive from Sacramento who had been on the Board of Regents as well as other major higher education boards); and Ed Kashian (a highly regarded developer from Fresno) advised the Chancellor on the development project. These were serious men who gave enormously of their time and were willing to help whenever the Chancellor called. But not all their advice was the best.

Some of these advisers simply wanted the Chancellor and her staff to turn the project over to a developer. At the time, the Chancellor was inclined to do this. But I worked with this issue and finally persuaded the Chancellor that this strategy would not work for a number of reasons, not the least of which was the public funds and competitive processes required by law and policy. While these advisers provided much good advice, it was also important to establish the University leadership as clearly in command of the project. And once this group was convinced that the University had this huge project under control, they backed off from earlier positions on how to manage it. By summer of 2003, I assumed management of the construction project and in October 2003 most major contracts were underway. By late 2003, the local community could finally, actually see the framing for very large structures underway from the distant road that led up to the property. That moment in history changed the community of Merced, and likely the Central Valley, forever.

Returning to the earlier period of 2002, in the later spring of that year, we were finally able to accompany the University of California Budget team to Sacramento and legitimately claim great progress with the project...at least we owned the land. We weathered the attacks of the local environmentalists in budget hearings, the skepticism of the Legislative Analyst, and some consistently negative voices amongst the legislators. The environmentalists were always granted an ear in these hearings, but frankly their presentations were less than impressive and, as such, most legislators listened, admonished the campus to work with them, but in the end voted for the project funding. The challenges we weathered from legislators usually had more to do with partisan bickering (coastal liberals vs. Central Valley conservatives), or alternatively, legislative democrats vs. either their own democratic governor, Davis, or the new republican governor, Schwarzenegger) and frequently individual legislators' beefs with the University of California, not UC Merced.

Support in the California State Assembly had generally been strong, especially with the coming of Speaker Cruz Bustamante and Assemblyman Dennis Cardoza. But, support for UC Merced was always lukewarm at best among the primary leadership in the Senate during the important years. As mentioned before, the Senate Pro Temp, John Burton, was hostile to the project. Burton, in particular, was no friend of the project and, regardless of the personal pleas from many an influential person for him to support the project, he continued to call it a "boondoggle" for the Central Valley (read: republicans) to the end of his tenure. Other well-known senators, known for their education advocacy, such as John Vasconcellos from Santa Clara and Jack Scott from Pasadena challenged us in various ways. Scott, who chaired the Senate Budget Subcommittee for Education, had been a community college president, and while he supported the project, he was concerned about community college funding first. Vasconcellos was somewhat more supportive, but demonstrated on again/off again support. In the very last months before

campus opening, in the final weeks of a brutal budget season (2005) and in his last year in a long, long career as a state legislator, Senator John Vasconcellos refused to support the Merced item and UC budget. Vasco, as he was called, usually affectionately, was furious that the UC leadership, then President Robert Dynes and Budget Vice President, Lawrence Hershman, had made a deal with the new Governor Arnold Schwarzenegger to assure funding for the whole UC system even as Vasco and other Senate democrats were trying to put the heat on the Governor for other education and social service programs. Vasco was so angry that he refused to meet with any of the UC group and we all felt that this was a sad ending to his long-standing role in educational leadership for the State.

These senators were influenced between 1988 and 2004 by the very critical positions the Legislative Analyst took on the Merced project. The Legislative Analyst, Elizabeth Hill, was simply convinced that the project was too expensive for California with its terribly unstable resources and she felt the State simply could not afford a new UC campus at this juncture in history. Yet the Central Valley legislators persisted and demanded even as they came up against the John Burton objections again and again. The Merced project, as a very high profile effort of Governor Davis, and later, Governor Schwarzenegger and Central Valley legislators, was easily played as a political football time and again.

### **The Shadow of the “Dot Com” and Arnold Schwarzenegger To the Rescue**

In 2002-03, the drama concerning funding for UC Merced came to a head. But it did so because the State of California found itself yet again in the claws of the bust side of an economic cycle. The Legislative Analyst's “State Fiscal Picture” was gloomy indeed in her annual analysis of the Governor's budget bill for that year. She outlined how tax revenues were perilously declining due to devalued stock options in the Dot Com technology sector. This same, even deeper problem persisted into 2003-04 and the Legislative Analyst began calling the problem a “structural deficit” in the State Budget. As panic spread in the public sector, including the University of California, the public's affection for their recently re-elected Governor, plummeted and within a year of his re-election, in one of the most amazing chapters in California State history, Governor Davis was recalled from office. And more amazing, Arnold Schwarzenegger, internationally known Hollywood icon, was elected Governor of the State of California on November 17, 2003. Then Lieutenant Governor Cruz Bustamante was on the ballot along with myriad other candidate, if the Governor was recalled. But Schwarzenegger was the people's choice.

Given the continuing fiscal distress of the State, the recall of Governor Davis and the election of a new Governor who was a complete mystery, the future of UC Merced was once again under discussion. In 2003, the Legislative Analyst recommended delaying the opening of the campus until the fall of 2005. The Legislature agreed to that delay in the 2003-04 budget bill. Internal discussions at the President's Office, mostly behind closed doors, left those of us at the Merced Campus wondering whether the Regents and State might yet again consider pulling the plug entirely on the project. Even as buildings were going up and campus recruiters were scouring the Central Valley for potential students for a new Fall, 2005 start date, doubts persisted. Doubts persisted well beyond the new year, into January 2004. Would the new Governor support this project? Especially given that it had been a pet project of Governor Davis'? Chancellor Tomlinson-Keasey, not one to wait it out, sought ways into the Schwarzenegger camp. She utilized her well established contacts in Fresno republican circles and made contact with Bob White, one of Schwarzenegger's primary advisers. With the help of the powerful Central Valley publications, missions were run to Sacramento to see what could be learned. In the meantime, we simply moved as fast as we could to be ready. Calming all parties, including construction contractors, was a constant effort.

The good news was we had another year to meet the goal and this year was indeed needed, given all the difficulties attendant to a project that was beset not just by reduced State operating budgets, but soaring construction costs which hobbled the progress of construction, labor unrest, and still unresolved matters with the Army Corps of Engineers and Environmental Protection Agency. So we were thankful for that year, but as yet we did not know if we would have an operating budget going into the following year.

Fall is the time that governors generally prepare their state budget proposals for coming fiscal year (which starts in July). But given the election of Governor Schwarzenegger in November of 2003, all bets were off as to what to expect in that next year's budget. The University of California budget team huddled, decided to take a huge gamble and sought to reach a compact with the new governor on the UC budget. Their hope was to stop the hemorrhaging of the University of California's budget. The risk was their support among legislative democrats (especially Senator Vasconcellos) who were simply stunned by the gubernatorial election. Governor Schwarzenegger made his first State of the State to the California Legislature in January 2004, and in it he specifically stated his support for the UC Merced project. It was the only specifically mentioned project in that speech. Had the UC Merced team the time to do so, we might have uncorked the champagne. But Fall 2005 was looming and much work remained. Most interpreted the new Governor's support for the project to his understanding of the rising importance of the Central Valley, especially for republicans. His was a calculated move. Some months later Schwarzenegger visited the emerging Merced Campus in the heart of Central Valley ranchland and a republican stronghold; he seemed intrigued by our new super

"green" utility infrastructure and physical plant, a building sized to eventually serve 15,000 students. The Governor was clearly supportive and he was roundly cheered by the construction crews. Overall a pleasing day for the Governor and anxiety ridden Campus leadership.

UC Merced, the tenth campus of the University of California, was now clearly on the trajectory for completion. From this point forward, it was simply a race for time. Even with the delay of the opening to 2005 due to the Dot Com economic downturn, time was short and now with political support secure and the lawsuits settled, the Campus leadership put the blinders on and raced forward. Many times during the course of this project leaps of faith kept the team moving. But finally, the goal line was in view. And the goal was achieved with the opening of the Campus in the fall of 2005 with 875 freshmen, transfer and graduate students.

## CONCLUSION

Thus it was that the University of California and the State of California did finally establish a tenth UC campus, partially fulfilling the loosely contrived plans of the Master Plan era. It is, however, certainly noteworthy that the will to do so flagged frequently and the difficulties in actually accomplishing the goal were not just substantial, but enormous. And these problems were what was faced prior to the Great Recession of 2008-09. The forces described in this history, especially the great shifts in the State's economic fortunes, demographic profile, and environmental and growth challenges, not only continue in California, but have intensified. California has moved abruptly towards a very different expectation for the University of California, one that is much more "privatized" (dependent on student tuition) and one which holds little promise for economically challenged students. How the University of California will fare in this new age of extreme constraint and hotly contested debates concerning resources and growth, and in particular how the newborn UC Merced will fare, are wide open questions. The huge state budget reductions of the last few years, with concomitant tuition increases indicate serious trouble.

## AFTERNOTE - *Organization Building and Getting the Job Done*

It is also worthwhile to explain a dilemma which all of us, who were creating this new university, experienced. At the same time we were fielding the rocky politics of the State, political ambivalence within the larger University and the challenges of environmental opponents, we were also developing a Campus. We were building the physical Campus, a \$400 million project with endless challenges associated with the environment and construction. And simultaneously, we were building the organization, which would operate the University. We simply plunged in and developed an organization as we did the work. When each new staff person was hired, we evolved a little more. Over the course of five years we moved the operation four times. This in itself required significant planning and building. There was no time to spare for careful and organized planning of the organization per se. We grew rather organically. While we certainly had in mind what elements would be needed to operate the institution and I early on prepared a "bubble chart" of the steps needed to achieve the legal and financial requirements, in practice, we proceeded by instinct as much as anything. In my sphere, which evolved to include the budget, administration and finances, and the campus design and construction, the immediate imperatives were: get the funding, get the approvals, get the permits, and get the campus built. We did not have in place at the outset the people we needed to do this job and it was all a matter of finding the people even as we proceeded with crucial steps to build campus.

Recruiting employees (and faculty) was very difficult in the early years, especially, as people's lives and careers would be staked on this very big gamble. Even so we had many candidates and some excellent ones at that. But it took adventuresome souls to do well in these circumstances. We were in a small and poor agricultural community ("out in the boonies"), with little to recommend it to former City folk, especially university types used to culturally rich campus settings. We would joke about the two restaurants in town where we could bring candidates for dinner. We all were quite sick of those restaurants in the end. I (as well as other leaders) engaged in endless pep talks with recruits, employees, support groups and others. Because we were part of the University of California system, we were bound to operate through its policies and through the State policies, which applied in areas relating to state finance. The Office of the President and the General Counsel's Office operated in a quite bureaucratic and slow moving fashion and this created many frustrations on the startup Campus. There were some very important exceptions to this rule, including some truly great individuals who assisted us in some critical ways, especially VP Lawrence Hershman and his team. The Chancellor and I pondered this problem often. There were no easy solutions and what's more we did not have the time to worry about it. We simply had to plough or bulldoze our way through and make progress. Forgiveness would be sought later.

Our employees did not always know how to proceed with their jobs, as there was no obvious road map. After all, we were creating a new organization and a UC campus hadn't been created in 40 years. Given the terrible budget reductions we suffered as a result of the State's circumstances many employees found their hard wrought plans could not be funded and they felt they simply could not get the job done in time. There were endless decisions about how to do the work. Should we replicate

everything at a typical UC campus had? Should we contract out work; should we piggyback on work of other campuses? Each of these strategies had myriad pros and cons and none were obvious. We had to maintain a positive spirit given that we were under an incredible (truly) mandate to open by 2004 and also under constant scrutiny and attack. When the decision to delay occurred we were relieved to have the additional time; we would have been hard pressed to meet Governor Davis' original goal.

In my area in particular, which was budget, administration and especially campus design and construction, we had to proceed at lightning speed. Nothing would happen if first the Regents didn't acquire the proper land title, if utilities were brought to the site and contracts in place, the campus was not built, or sufficiently built to house some facsimile of an opening class and faculty. We were not only dealing with the typical tough minded construction companies who marched to their own drummer and at least some intransigent architectural firms, but we were dealing with them at a time when construction market shot through the ceiling. The construction market hit a twenty-year high watermark due to manpower and supplies peeling off to an extraordinarily robust rash of construction in China. In fact, the California construction market was so bad that it was dubbed "a perfect storm" by construction gurus. We lost at least one company to bankruptcy and others were looking for ways to cut their losses. We talked about starting the campus with students in tents if the housing project was late as there were few hotels or other residential buildings available to house 600 to 900 students. The Central Valley had union problems and our construction sites were targeted. And on and on.

In the end, all of us in the founding group were tested more with this project than with any other in our personal histories. And while it is unlikely that such a project could be done again given the Great Recession of 2008-09, I doubt any of us would not volunteer again...for the opportunity to bring to a very underserved part of the Golden State the true UC brand of education.

## ENDNOTES

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<sup>i</sup> Schrag, Peter, *Paradise Lost, California's Experiences, American's Future*, Berkeley: University of California Press, 1999, page 7

<sup>ii</sup> Kerr, Clark, *The Gold and the Blue: A Personal Memoir of the University of California, 1949-1967*, Volume 1, Berkeley: University of California Press, 2001

<sup>iii</sup> Los Angeles Times, August 14, 2004 by Times Staff Writer, Peter Y Hong.

Senate President Pro Tem John Burton (D- San Francisco) called UC Merced the "biggest boondoggle ever." Quoted from floor speech in June 2003. This oft-quoted barb haunted the subsequent development of UC Merced and strained UC's effort in Sacramento to finalize the Merced plans.

<sup>iv</sup> Gardner, David P. *Earning my Degree Memoirs of an American University President*, Berkeley: University of California Press, 2005, pages 240-244

<sup>v</sup> Championed by Governor Pete Wilson, Propositions 209 and 187 proved grave political errors on his part, which resulted in democratic victory for the statehouse in the next gubernatorial election, Schrag, pages 235-36

<sup>vi</sup> Kerr, pages 389-90

<sup>vii</sup> Anderson, Nancy Scott, *An Improbable Venture: A History of the University of California, San Diego*, University of California, San Diego Press, 1993, page 10

Also see Wikipedia Submittal On H.R.Haldeman: "H.R. 'Bob' Haldeman, who would later play an even larger role in Nixon White House, was then alumni regent and was tapped by Reagan to garner anti-Kerr votes on the board."\*

<sup>viii</sup> Kerr, page 205

<sup>ix</sup> The California State Assembly Fellowship Program was a program originally funded by the Ford Foundation at UC Berkeley. It was the intent of the program, launched under the leadership of the legendary Speaker, Jesse M. Unruh, to "professionalize" the legislature staff. I subsequently served on the Fellowship program Board for ten years (two years as chair). The program was very successfully in its goal; resulting in equipping the California Assembly (and later the Senate through a similar program) with well educated policy experts; a development which helped the Legislature to balance the power of the governor in policy development and budget making.

<sup>x</sup> I am personally a poster child for this dream. From a working class family of seven children, I graduated in the banner baby boom year of 1965 from high school. I went on to UCLA as an undergraduate when fees were \$110 per term. I ultimately earned a PhD from UC Berkeley in 1980...truly a dream for a working class parents to see their child given such opportunity. And one rather fun footnote here: As I finished my undergraduate work at UCLA in 1973, I was advised by a UCLA professor to choose Berkeley as between UCLA and Berkeley for graduate school. While I did not yet fully appreciate the reason, clearly that professor still saw Berkeley as the premier graduate institution.

<sup>xi</sup> One particular agency head, James Lorenz of the Employment Development Department, was typical. He had been a poverty lawyer with the United States Legal Services Corporation. Jim, who became a friend of mine during that time in Sacramento, reveled in turning the bureaucracy on its ear and actually encouraged what most traditional managers would call subversive behavior within his own agency....in an attempt to break up old thinking. In the end, most observers concluded that the Jerry Brown crew were not very effective in the management of the State' agencies. They appeared to be more interested in the ideas then the actual management of the government.

<sup>xii</sup> Schrag, page 153

<sup>xiii</sup> Gardner, page 151

<sup>xiv</sup> Gardner, David P. *A Nation at Risk: The National Commission on Excellence in Education*, April, 1983

See Also, Gardner, pages 204-206.

President Gardner provides an intriguing account of his first visit with Governor Deukmejian and Steve Merksamer, the Governor's Chief of Staff, noting that the Governor was an "honest, decent and capable person" who Gardner found easy to work with. The Governor and Merksamer had similar positive reactions to Gardner.

<sup>xv</sup> My work took me to Sacramento on a regular basis. I was the Budget Office liaison in Sacramento and regularly prepared and briefed the State Department of Finance, the Legislative staff and members and the Legislative Analyst's Office.

<sup>xvi</sup> Gardner, page 212.

<sup>xvii</sup> Los Angeles Times, October 21, 1988, *UC Must Build 3 New Campuses to Meet Expected Enrollment Boom, Regents Told*, by Times Education Writer, Larry Gorden.

<sup>xviii</sup> When the proposal for Proposition 98 was circulating in Sacramento under the sponsorship of the State Superintendent of Public Instruction, Bill Honig and the State teachers' unions (including the powerful United Teachers of Los Angeles), UC had the opportunity to join forces with the broader educational community to create a funding floor for the State's educational system. Some of us involved with the University budget team believed we should have joined with that broader community. But President Gardner was not willing to break with Governor Deukmejian who was clearly opposed to the idea. After all, he did not want to see his discretion further constrained by yet another ballot measure. It was a hard call as to whether UC would have fared better with that broader community versus sticking with the Governor, who had by 1986-87 demonstrated his willingness to improve UC's situation if not that of the public schools. It entailed an honest disagreement among the UC policymakers.

<sup>xix</sup> University of California Board of Regents, Item for Action: *Adoption of Report on Criteria and Methodology for Evaluation of Potential Campus Sites* and Item for Discussion: *Report on Status of Long Range Development Planning* to the Committee on Grounds and Buildings: May 18, 1988

<sup>xx</sup> University of California Board of Regents: *Report of the Committee on Building and Grounds to the Board*, Closed Session, March 15, 1991

<sup>xxi</sup> Schrag, page 52-53

<sup>xxii</sup> California State Legislative Analyst's Office, Analysis of the Budget Bill: 1991-92

<sup>xxiii</sup> Gardner, David P: *Statement to Assembly Ways and Means Education Subcommittee on the University of California 1991-92 Budget*, March 19, 1991

<sup>xxiv</sup> Schrag, preface, page x

See also: Baldassare, Mark, *California in the New Millennium The Changing Social and Political Landscape*, University of California Press, April 2000, particularly Chapter Four for complete analysis of the changing California demographics and also for impacts of the modern use of the initiative process.

<sup>xxv</sup> Conveyed to luncheon guests at a UC Merced event for Lt Governor Bustamante, hosted by Vice Chancellor Desrochers in late 2005.

<sup>xxvi</sup> Sacramento Bee, April 15, 1995, *UC Panel Picks Site for Valley Campus*, "page A3.

<sup>xxvii</sup> I sat with Bob Carpenter on the platform at the inauguration of the Chancellor in Fall of 2003 and recall Bob weeping with pride as the dream was finally realized with the installation of the Chancellor. It had been a long, long hard road for the Merced Community. But even then, the die was not yet fully cast.

<sup>xxviii</sup> The Jack Peltason selection in 1992 was a way for the regents to heal a fractured University of California Board and President's Office. The institution had weathered an unfortunate end to the Gardner presidency. While quite popular within the University System, Peltason, already 69 years, was clear that he would serve only a short term.

<sup>xxix</sup> Sacramento Bee, July 9, 1995 *UC Chief Indicates New Merced Campus Not Yet Needed*; Sacramento Bee, June 22, 1996, pg A4; *Rethinking the 10th Campus*; Sacramento Bee, March 31, 1996, pg F04; *UC Faces Huge Construction Bills Even Without New Campus* Sacramento Bee, March 15, 1996, pg A3; *Some UC Officials, Regents Cool on Valley Campus*, Sacramento Bee, March 13, 1996, page A12)

<sup>xxx</sup> Sacramento Bee, December 11, 1996: *UC Facing New Pressure for Merced Campus*

<sup>xxxi</sup> Minutes of the September 18, 1997 Committee on Educational Policy, UC Board of Regents; page 4

<sup>xxii</sup> University of California, Board of Regents, Minutes from July, 1997 Board meeting: *Status Report on Planning for the Tenth University of California Campus*

<sup>xxiii</sup> Sacramento Bee, April 9, 1997, page A-4: *UC Merced's Funds Plan Has Panel Ok*

<sup>xxiv</sup> Baldassare, page 132

<sup>xxv</sup> Sacramento Bee, July 16, 1999: *Regents Select a Chancellor for Future UC Merced*, page A-3

<sup>xxvi</sup> Sacramento Bee, March 5, 2000: *UC Site Has Big Secret*, page A-3

<sup>xxvii</sup> Other tasks were: building an organization that was sufficiently populated with appropriate professional staff to start a university; working with the UC Budget Office on the next rounds of budget requests in Sacramento; and developing financing plans for a number of key elements that had not yet been contemplated: major campus utilities; student housing; temporary facilities for a brand new, but growing staff and faculty who would arrive within a year to two years. And much more.

<sup>xxviii</sup> California State Legislature's Legislative Analyst Office: Analysis of the Budget Bill, 2001-02

<sup>xxix</sup> In fact, the Virginia Smith Trust trustees were becoming critical of the University leadership and indeed worried that no land transfer would actually occur. I recall one specific meeting where I appeared at a meeting of the Trust, which was also the County Board of Education, with the sole purpose of asking the Trustees to be patient and that the University would find a solution to the situation. It was an important moment when the Trustees agreed to stay with the negotiations.